

Public Chapter 194

SENATE BILL NO. 1686

**By McNally, Elsea, Koella, Haun, Carter, Ramsey, Person, Leatherwood, Gilbert,
Jordan, Miller, Fowler, Crowe**

Substituted for: House Bill No. 1250

By Kisber, Davis, Haley, Hargett, Pleasant, McDaniel, Stamps, Walley, Ford, Wood,
Patton, Kerr, Beavers, Kent, Bird, Clabough, McKee, Newton, Scroggs, Walker, McAfee,
Mumpower, Roach, Boyer

AN ACT To amend Tennessee Code Annotated, Section 67-6-209; Section 67-6-216;
Section 67-6-336 and Section 67-6-702, relative to the application of the sales
and use tax to manufactured homes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-216, is amended by
deleting subsection (a) in its entirety and substituting instead the following:

Notwithstanding any other provisions of this chapter to the contrary, state
tax equal to one-half (1/2) the rate of tax provided for in § 67-6-202 is levied on
the gross receipts or gross proceeds from the retail sale of a manufactured
home; including any accessories, parts, furniture, appliances, delivery fees,
installation fees, and other additional or incidental items or services that are part
of the sale of the manufactured home, whether or not separately billed.

SECTION 2. Tennessee Code Annotated, Section 67-6-216, is further amended
by inserting after subsection (b) the following:

(c) The tax levied by this section shall apply whether or not the
manufactured home is installed as an improvement to the realty.

SECTION 3. Tennessee Code Annotated, Section 67-6-702, subsection (d) is
amended by adding the following new sentence at the end of the subsection:

Parts and accessories and any other additional or incidental items or
services that are part of the sale of a manufactured home shall be treated as part
of the manufactured home unit in the same manner as parts and accessories for
motor vehicles are treated as part of the motor vehicle unit.

SECTION 4. Tennessee Code Annotated, Section 67-6-209, is amended by
adding the following new subsection:

(h) There is exempt from the tax imposed by this section tangible
personal property (1) which is installed by a dealer in manufactured homes, or

furnished to a contractor by the dealer for use in the installation of a manufactured home; and (2) which has previously been subjected to the tax imposed by § 67-6-216.

SECTION 5. This act shall take effect upon becoming a law, the public welfare requiring it.